

ARMY ACQUISITION REFORM

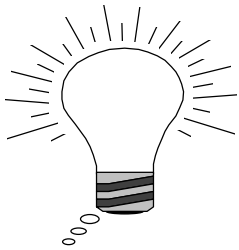


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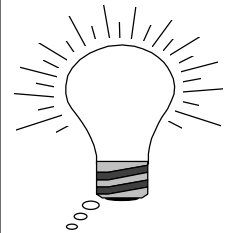
POTENTIAL \$517M REINVESTMENT

Streamlining the M1A2 Tank Upgrade Program and using multi-year procurement has reduced component costs and production time from 11 years to 10. Potential savings of \$517M over the program life will be used to upgrade more tanks.



\$284M IN SAVINGS REPROGRAMMED

By accelerating production in early years, using excess capacity and reducing unit hardware costs by 15%, PM SINCGARS identified \$284M in program dollars which were used for other Army programs.



CONSOLIDATED CONTRACTING

IMPROVES EFFICIENCY AND REDUCES COSTS

FORSCOM is currently implementing a plan to consolidate contracting for all negotiated requirements over \$500,000 at four regional sites (Forts Bragg, Hood and Lewis and at the Army Atlanta Contracting Center). FORSCOM expects full implementation by 2001 and estimates savings of up \$35M **annually** after that date. Savings will result from personnel reductions and efficiencies associated with the improved quality of contracts. Savings will be reinvested to improve the mission support/quality of life at FORSCOM installations.